

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In Re:	:	Chapter 11
	:	
WORLDWIDE DIRECT,	:	Case Number 99-108 (MFW)
INC., <i>et al.</i>	:	Jointly Administered
	:	
Debtors.	:	
	:	

FINAL APPLICATION OF LEGAL COST CONTROL, INC., FEE AUDITOR FOR REIMBURSEMENT OF HOLDBACK FEES AND EXPENSES (20%)

NAME OF APPLICANT:	Legal Cost Control, Inc.
AUTHORIZED TO PROVIDE PROFESSIONAL SERVICES TO:	Liquidation Trustee As Fee Auditor
DATE OF RETENTION:	August 28, 2001
PERIOD FOR WHICH COMPENSATION AND REIMBURSEMENT IS SOUGHT:	August 28, 2001 to December 31, 2001
TOTAL AMOUNT OF REIMBURSEMENT SINCE INCEPTION OF SERVICES:	\$222,390.69
TOTAL AMOUNT OF 20% FEE HOLDBACK DURING THE FINAL FEE PERIOD: (AUGUST 28, 2001 THROUGH DECEMBER 31, 2001):	\$55,597.68
AMOUNT OF EXPENSE REIMBURSEMENT SOUGHT AS ACTUAL, REASONABLE, AND NECESSARY:	\$ -0-

THIS IS AN _____ INTERIM _____ X _____ FINAL APPLICATION

THE TOTAL TIME EXPENDED FOR THE PREPARATION OF THIS APPLICATION IS APPROXIMATELY n/a AND THE CORRESPONDING COMPENSATION REQUESTED IS APPROXIMATELY \$0.00.

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WORLDWIDE DIRECT,	:	Case Number 99-108 (MFW)
INC., <i>et al.</i>	:	Jointly Administered
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**FINAL APPLICATION FOR REIMBURSEMENT OF HOLDBACK FEES AND
EXPENSES (20%) OF
LEGAL COST CONTROL, INC., FEE AUDITOR**

The Application of Legal Cost Control, Inc. ("Applicant" or "LCC"), Fee Auditor, respectfully represents and alleges:

I. INTRODUCTION

1. Applicant makes this Final Application for Allowance of Professional Fees and Expenses ("Application") rendered in its role as Fee Auditor as provided under Section 330 of Title 11 of the United States Code, ("Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules"), and pursuant to Section 9.3.7 of the Confirmed Second Amended Consolidated Liquidating Chapter 11 Plan (the "Plan").

2. LCC, for its Final Application, seeks an order authorizing and directing payment of all allowed, unpaid fees for services rendered in the total amount of \$55,597.68. These services were rendered referable to Fee Auditing services and the

preparation of Reports In Re Fee Applications of: *Arthur Andersen, LLP; Duane Morris, LLP; Ernst & Young, LLP; Ernst & Young, LLC; Executive Sounding Board; Hennigan, Mercer & Bennett; Howrey Simon Arnold & White, LLP; Klehr Harrison; Klett Rooney Lieber & Schorling; Munsch Hardt Kopf & Harr, P.C.; Sachnoff & Weaver; Wilmington Trust Co.; and Young Conaway Stargatt & Taylor.*

II. BACKGROUND

3. Applicant is a corporation organized and existing under the laws of the State of Delaware. Its office is located at 255 Kings Highway East, First Floor, Haddonfield, New Jersey 08033. Among Applicant's expertise is the auditing of legal and professional fee bills and Fee Applications in all facets of insolvency related proceedings.

4. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

5. On August 28, 2001, the Liquidating Trustee for the Worldwide Liquidation Trust engaged Legal Cost Control, Inc. as Fee Auditor.

6. On January 20, 1999, this Court entered its Administrative Order Establishing Procedures for Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals. Pursuant to the procedures set forth in that Order, professionals may request compensation and expenses, and interested parties may object. If no interested party objects to a professional's request, the applicable professional may submit to the Court a certification of no objection and a

proposed Order authorizing the compensation and reimbursement, subject to the filing and approval of a final fee application of the professional. Twenty percent (20%) of the requested fees were to be retained by the Trustee ("Fee Holdback") pending a final fee application for each professional herein.

III. PROFESSIONAL SERVICES RENDERED

7. In accordance with Local Rule 32, dated December 12, 1996 and the Administrative Order Establishing Procedures and Payment of Interim Compensation and Reimbursement of Expenses for professionals and Committee Members ("Administrative Order"), and to assist the Court and the Liquidating Trustee and other parties in interest in evaluating this Final Application for Compensation, the primary services performed by Applicant referable to this Final Application are summarized below. The Summary reflects certain services of major importance that required the special attention, efforts and skills of Applicant. Applicant's services referable to the Final Application have assisted the professionals, Liquidating Trustee and the Court in evaluating the reasonableness and necessity of work performed ("necessary services") and charges ("actual, necessary expenses") submitted by: *Arthur Andersen, LLP; Duane Morris, LLP; Ernst & Young, LLP; Ernst & Young, LLC; Executive Sounding Board; Hennigan, Mercer & Bennett; Howrey Simon Arnold & White, LLP; Klehr Harrison; Klett Rooney Lieber & Schorling; Munsch Hardt Kopf & Harr, P.C.; Sachnoff & Weaver; Wilmington Trust Co.; and Young Conaway Stargatt & Taylor.*

8. Legal Cost Control, Inc. performed its duties as described in the Fee Auditor Proposal dated August 21, 2001.

9. In the performance of services pursuant to this Interim Application, Legal Cost Control, Inc. has:

- Performed a fee audit and issued a Fee Audit Report on November 21, 2001, In Re the Fee Application(s) of: *Ernst & Young, LLP*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$2,080,898.00 in fees and \$113,659.00 in expenses, for Total Fee and Expenses of \$2,194,557.00.
- Performed a fee audit and issued a Fee Audit Report on November 26, 2001, In Re the Fee Application(s) of: *Arthur Andersen, LLP*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$1,730,092.54 in fees and \$38,630.39 in expenses, for Total Fees and Expenses of \$1,768,722.93.
- Performed a fee audit and issued a Fee Audit Report on November 21, 2001, In Re the Fee Application(s) of: *Ernst & Young, LLC*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$683,584.00 in fees and \$9,268.00 in expenses, for Total Fee and Expenses of \$692,852.00.
- Performed a fee audit and issued a Fee Audit Report on November 19, In Re the Fee Application(s) of: *Executive Sounding Board*. Those Applications encompassed a review by Legal Cost Control, Inc. of \$2,532,388.50 in fees and \$37,987.20 in expenses, for Total Fees and Expenses of \$2,570,375.70.

- Performed a fee audit and issued a Fee Audit Report on November 5, 2001, In Re the Fee Application(s) of: *Hennigan Mercer & Bennett*. Those Applications encompassed a review by Legal Cost control, Inc. of \$5,957,951.40 in fees and \$1,057,086.77 in expenses, for Total Fees and Expenses of \$7,015,038.17.
- Performed a fee audit and issued a Fee Audit Report on November 19, 2001, In Re the Fee Application(s) of: *Howrey Simon Arnold & White, LLP*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$653,830.70 in fees and \$29,911.49 in expenses, for Total Fee and Expenses of \$683,742.19.
- Performed a fee audit and issued a Fee Audit Report on November 1, 2001, In Re the Fee Application(s) of: *Duane, Morris, LLP*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$40,065.00 in fees and \$3,139.64 in expenses, for Total Fee and Expenses of \$43,204.64.
- Performed a fee audit and issued a Fee Audit Report on November 19, 2001, In Re the Fee Application(s) of: *Klehr Harrison*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$163,594.25 in fees and \$69,911.41 in expenses, for Total Fees and Expenses of \$233,505.66.
- Performed a fee audit and issued a Fee Audit Report on November 1, 2001, In Re the Fee Application(s) of: *Klett Rooney Lieber &*

Schorling. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$14,870.00 in fees and \$718.89 in expenses, for Total Fees and Expenses of \$15,588.89.

- Performed a fee audit and issued a Fee Audit Report on November 5, 2001, In Re the Fee Application(s) of: *Munsch Hardt Kopf & Harr, P.C.* Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$4,450,220.75 in fees and \$523,474.50 in expenses, for Total Fees and Expenses of \$4,973,695.25.
- Performed a fee audit and issued a Fee Audit Report on November 1, 2001, In Re the Fee Application(s) of: *Sachnoff & Weaver*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$152,988.25 in fees and \$33,272.22 in expenses, for Total Fees and Expenses of \$186,260.47.
- Performed a fee audit and issued a Fee Audit Report on November 1, 2001, In Re the Fee Application(s) of: *Wilmington Trust Co.* Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$242,369.50 in fees and \$5,651.83 in expenses, for Total Fees and Expenses of \$248,021.33.
- Performed a fee audit and issued a Fee Audit Report on November 2, 2001, In Re the Fee Application(s) of: *Young Conaway Stargatt & Taylor*. Those Fee Applications encompassed a review by Legal

Cost Control, Inc. of \$394,861.00 in fees and \$401,644.28 in expenses, for Total Fees and Expenses of \$796,505.28.

- Performed a fee audit and issued a Fee Audit Report on November 1, 2001, In Re the Fee Application(s) of: *Wilkie Farr & Gallagher*. Those Fee Applications encompassed a review by Legal Cost Control, Inc. of \$772,215.50 in fees and \$44,784.45 in expenses, for Total Fees and Expenses of \$816,999.95.

IV. BASIS OF APPLICANT'S FEE

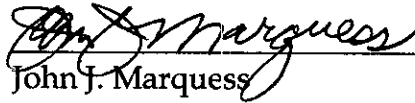
10. Pursuant to the Proposal and Statement of Engagement engaging Legal Cost Control, Inc. as Fee Auditor, the compensation of the Auditor shall be One and One-Quarter Percent (1 1/4%) of the billings (fees and expenses) submitted by professionals in the case.
11. LCC reviewed \$22,239,069.46 in Fees and expenses submitted by: Arthur Andersen, LLP; Duane Morris & Hecksher; Ernst & Young, LLP; Ernst & Young, LLC; Executive Sounding Board; Hennigan, Bennett & Mercer; Howrey Simon; Klehr Harrison; Klett Lieber Rooney; Munsch Hardt Kopf & Harr, P.C.; Sachnoff & Weaver; Wilmington Trust Co.; and Young Conaway Stargatt & Taylor.
12. LCC's Total Fee was \$277,988.37 (being 1.25% of \$22,239,069.46) and its 20% Holdback Fee is therefore \$55,597.68 (being 20% of {1.25% x \$22,239,069.46}).
13. Legal Cost Control, Inc. as Fee Auditor, therefore respectfully requests a total Final Application Award of compensation in the sum of \$55,597.68.

14. This is Applicant's Final request for an award of compensation in these cases.

15. For the foregoing reasons, Legal Cost Control, Inc. requests approval and allowance of the Holdback Fee, in the amount of \$55,597.68.

WHEREFORE, Applicant respectfully requests a Final Award of Holdback Fees during the Final Application period in the sum of \$55,597.68 together with reimbursement of disbursements in the amount of \$0.00 and for such other further relief as this Court deems just and proper.

LEGAL COST CONTROL, INC.

A handwritten signature in cursive script, appearing to read "John J. Marquess", is written over a horizontal line.

John J. Marquess

President

255 Kings Highway East, First Floor

Haddonfield, NJ 08033

(856) 216-0800

(856) 216-0800 Facsimile

Fee Auditor

DATED: February 11, 2002